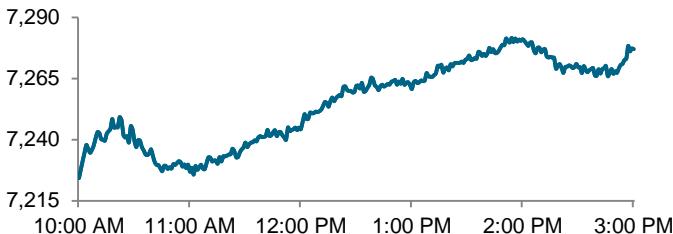


# DAILY MARKETS OVERVIEW

JANUARY 7, 2018

## TASI Intraday



Source: Reuters

## Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,277	0.7	0.6	0.7	17.0
Saudi (NOMU)	3,067	0.6	-3.8	-2.3	NA
Energy	4,314	1.3	0.9	0.8	15.3
Materials	5,066	0.5	0.5	0.2	20.8
Capital Goods	4,319	0.5	0.0	-0.5	14.8
Com. & Prof. Svc	4,196	0.5	0.0	-0.2	16.8
Transportation	4,068	0.5	1.3	1.4	15.7
Cons. Durables & Apparel	4,078	0.0	-1.2	-1.5	NA
Consumer Services	3,705	0.0	0.3	0.5	11.9
Media	7,746	-0.2	-0.9	0.1	NA
Retailing	5,666	0.9	0.1	0.6	18.6
Food & Staples Retailing	5,589	1.0	-1.0	-0.4	24.8
Food & Beverages	4,851	0.6	-0.8	-0.9	NA
Health Care Equipment	4,538	1.3	1.9	2.1	24.4
Pharma, Biotech & Life Science	4,116	-1.0	4.2	3.7	10.2
Banks	5,662	0.8	3.4	2.9	11.6
Diversified Financials	3,925	-0.3	-2.3	-2.6	NA
Insurance	4,717	0.7	-0.7	-0.2	16.9
Telecommunication	4,291	0.5	0.5	0.9	14.0
Utilities	4,485	-0.2	-1.7	-1.7	8.8
REITs	4,598	0.2	-0.7	-0.8	NA
Real Estate	4,494	1.8	-6.7	-4.3	NA

Sources: Bloomberg, Reuters, Tadawul

## Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Makkah Construction & Development Co.	78.28	4.9%	119.9
Dallah Healthcare Holding Co.	107.61	3.7%	18.3
Samba Financial Group	24.59	2.8%	27.0
Saudi Real Estate Co.	23.14	2.7%	15.3
Alujain corp.	21.54	2.5%	24.3

Source: Tadawul

## Upcoming General Assembly Meetings

Company	Proposed Date
Taiba Holding Co.	8-Jan-18
Lazurde Company for Jewelry	8-Jan-18
Bank Albilad	9-Jan-18
SABB Takaful Co.	9-Jan-18
AlJazira Mawten REIT Fund	10-Jan-18
Saudi Cable Co.	14-Jan-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of January 7, 2018

(2) WTD: Week to Date and YTD: Year to Date

## Saudi Market Update

- The TASI gained 0.7% to close at 7,277 on Thursday. The NOMU closed 0.6% higher at 3,067. TASI traded value totaled SAR 4.0bn and averaged SAR 4.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 63.6% of the daily traded value.
- Banks and Materials closed 0.8% and 0.5% higher respectively. Telecom ended 0.5% higher. Real Estate (up 1.8%) was the best performer. Among stocks, Makkah Construction & Development Co. (4100/MCDCO AB), Dallah Healthcare Holding Co. (4004/DALLAH AB), and Samba Financial Group (1090/SAMBA AB) led gainers.
- The Emirates NBD Saudi Arabia Purchasing Managers' Index (PMI) fell marginally to 57.3 in December 2017 from 57.5 in November 2017. The rate of expansion remained steep overall and above the average registered throughout 2017. (Source: Gulf Base)
- King Salman issued a series of royal decrees on January 5 ordering payment of several allowances to military staff and state employees, in addition to exemption from VAT for some citizens to offset increasing cost of living. (Source: Argaam)
- Saudi Gazette reported the cabinet changed the status of the Saudi Arabian Oil Company into a joint-stock company as of January 1, with SAR 60bn (USD 16bn) in capital. (Source: Argaam)
- The Minister of Finance told Al Saudiya the government is studying the possibility of exempting healthcare services and private education from value-added tax (VAT). (Source: Zawya)
- The Minister of Communications and Information Technology (CITC) and Chairman of the CITC Commission stated the mobile operators have been ordered to extend network coverage to the rural areas within a maximum of 60 days. (Source: Argaam)
- MEED reported the value of projects awarded in November increased 942% M/M to USD 6.1bn (SAR 23bn). Contracts worth USD 5.5bn (SAR 21bn), USD 130mn (SAR 488mn), USD 157mn (SAR 589mn), USD 108mn (SAR 405mn), and USD 95mn (SAR 356mn) were awarded in the oil & gas, water, transport, construction, and industrial sectors, respectively. (Source: Argaam)
- Reuters reported Saudi Arabian Oil Company kept Arab Light crude prices to Asia for February unchanged at USD 1.65 per barrel from the previous month. (Source: Mubasher)

## Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Re for Cooperative Reinsurance Co.	8.99	-2.3%	25.5
Saudi Pharmaceutical Industries & Medical Appliances Corp.	31.09	-1.2%	11.5
Saudi Advanced Industries Co.	13.60	-1.2%	4.9
Methanol Chemicals Co.	9.88	-1.1%	23.9
United Electronics Co.	47.48	-1.0%	11.0

## Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Dar Alarkan Real Estate Development Co.	10.94	2.3%	1,125
Alinma Bank	19.33	-0.1%	537
Saudi Basic Industries Corp.	101.41	-0.1%	509
Saudi Kayan Petrochemical Co.	11.09	0.5%	203
Al Rajhi Bank	67.02	1.6%	201

Source: Tadawul

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# DAILY MARKETS OVERVIEW

JANUARY 7, 2018

## GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	3,464	0.1	2.8	2.8	NA
Abu Dhabi (ADX)	4,548	1.5	3.4	3.4	16.2
Kuwait (KSE)	6,454	0.8	0.7	0.7	15.5
Qatar (QE)	8,631	0.3	1.2	1.3	13.9
Oman (MSM)	5,105	0.3	1.1	0.1	12.3
Bahrain (BSE)	1,312	-1.0	0.5	-1.5	7.8
DJMENA Index	531	0.0	1.3	1.3	NA

Source: Bloomberg, Reuters

## Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,743	0.7	2.6	2.6	23.0
US (NASDAQ 100)	7,137	0.8	3.4	3.4	23.0
UK (FTSE 100)	7,724	0.4	0.5	0.5	23.1
Germany (DAX)	13,320	1.2	3.1	2.6	19.6
France (CAC 40)	5,471	1.1	3.0	3.0	18.8
Russia (MICEX)	2,207	0.4	4.6	5.0	7.5
Japan (Nikkei)	23,715	0.9	3.5	23.9	20.3
Hong Kong (HSI)	30,815	0.3	3.0	3.0	14.3
South Korea (KOSPI)	2,498	1.3	1.2	1.2	10.4
China (SHCOMP)	3,392	0.2	2.6	2.6	17.2
India (NIFTY)	10,559	0.5	0.3	0.3	23.9
Brazil (IBOV)	79,071	0.5	3.5	3.5	19.6
Turkey (BIST 100)	1,16,638	1.0	1.1	1.1	10.1
Egypt (EGX30)	14,782	-0.3	-1.6	-1.6	9.2
MSCI Emerging Markets	1,201	0.7	3.7	3.7	16.5
MSCI World	2,157	0.6	2.5	2.5	22.0

Source: Bloomberg, Reuters

## Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	67.6	-0.7	1.1	1.1	18.9
Natural Gas (\$/mmbtu)	2.8	-3.0	-5.4	-5.4	-19.7
Gold (\$/oz)	1,319	-0.3	1.3	1.3	11.8
Silver (\$/oz)	17.1	-0.5	1.1	1.1	3.3
Platinum (\$/oz)	970	0.5	4.2	4.2	0.2
Copper (\$/t)	7,079	-0.9	-1.8	-1.8	27.3
Zinc (\$/t)	3,380	-0.1	1.3	1.3	30.0
Lead (\$/mt)	2,590	0.7	3.8	3.8	26.0
Wheat (\$/bu)	431	-0.7	0.9	0.9	-11.5
Corn (\$/bu)	351	0.1	0.1	0.1	-11.5
Sugar (\$/lb)	15.1	-1.1	-0.5	-0.5	-21.8

Source: Bloomberg

## Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	1.70	0.00	0.01	0.00
Saudi Arabia	1.90	0.00	0.00	0.19
UAE	1.77	-0.07	-0.03	0.06
Kuwait	1.88	0.00	0.00	0.17
Qatar	2.63	0.00	-0.02	0.92
Bahrain	2.73	0.00	0.00	1.02

Source: Reuters

**NOTES:** (1) Prices updated as of January 7, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, \*Spread = US 3M Rate – Country 3M Rate

## GCC & Global Markets Update

- US markets ended in green on Friday. The S&P 500 and NASDAQ gained 0.7% and 0.8% respectively. Dow Jones Industrial ended 0.9% higher. In Europe, the UK closed 0.4% higher while Germany and France gained 1.2% and 1.1% respectively.
- Asian markets ended in green on Friday. China and Japan closed 0.2% and 0.9% higher respectively. South Korea and Hong Kong gained 1.3% and 0.3% respectively. India ended 0.5% higher.
- GCC markets ended in green, except for Bahrain, on Thursday. Dubai and Abu Dhabi gained 0.1% and 1.5% respectively. Kuwait and Qatar ended 0.8% and 0.3% higher respectively. Oman closed 0.3% higher while Bahrain closed 1.0% lower.
- US jobless claims for the week ended December 30 stood at 250K (prior: 247K; consensus: 240K). (Source: Econoday)
- According to the US EIA Petroleum status report, crude oil inventories fell by 7.4mn barrels for the week ended December 29. (Source: Econoday)
- The Emirates NBD UAE Purchasing Managers' Index (PMI) rose to 57.7 in December 2017 from 57.0 in November 2017 due to a sharp improvement in the non-oil private sector's business conditions. Moreover, the rate of expansion was the fastest since February 2015. (Source: Gulf Base)
- BMI Research reported Kuwait's economic growth would return to the positive territory in 2018 owing to increasing oil production and vigorous government investment. The agency added the country's economy would recover in 2018, despite OPEC's decision to extend oil production cuts until the end of this year. (Source: Arabian Business)
- Oman News Agency reported the country accepted a USD 210mn (OMR 80.9mn) grant from Saudi Arabia to fund two projects at its flagship Arabian Sea port of Duqm. Oman seeks to develop Duqm into a major hub, and is building a 230,000 bpd oil refinery there with Kuwait. (Source: Arabian Business)
- MEED reported the UAE witnessed contracts worth USD 6.3bn (AED 23.1bn) in November, which took the country to the top in the Middle East in terms of the value of signed contracts. (Source: Mubasher)
- Emarat Al Youm reported the UAE's Federal Tax Authority imposed VAT on all food products. The statement came as a response to some allegations that some vegetables and fruits were exempt from VAT. (Source: Mubasher)
- Kuwait's Minister of Oil, Electricity, and Water signed a contract valued at KWD 12mn (USD 39.3mn) related to periodical annual maintenance works at the Al Doha East Power Plant. (Source: Mubasher)
- Abu Dhabi Global Market introduced revised capital requirements and new reporting requirements as part of Financial Services Regulatory Authority's (FSRA) ongoing commitment to foster a dynamic and well-regulated platform for institutions. (Source: Gulf Base)

## Coming Up

- Change in China's CPI for the month of December 2017 (prior: 0.0% M/M, 1.7% Y/Y) will be announced on January 9. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended January 1 (prior: -7.4mn barrels) will be announced on January 10. (Source: Econoday)
- US jobless claims for the week ended January 6 (prior: 250K; consensus: 245K) will be announced on January 11. (Source: Econoday)

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